

RECEIVED

JAN 31 2007

CERTIFICATE OF NEED PROGRAM
DEPARTMENT OF HEALTH

+ CATHOLIC HEALTH
INITIATIVES

Franciscan Health System

January 31, 2007

Janis Sigman, Manager
Certificate of Need Program
Department of Health
P.O. Box 47852
Olympia, WA 98504-7852

Dear Ms. Sigman:

Please accept this letter as a letter of intent for Franciscan Health Systems dba St. Clare Hospital (SCH). SCH is proposing to establish a new dialysis facility. This facility will have up to 10 stations. In accordance with WAC 246-310-080, the following information is provided:

1. A Description of the Extent of Services Proposed:

SCH is proposing to establish a new dialysis facility to be located in Pierce Two. This facility will provide in-center dialysis to end-stage renal patients residing in the area.

2. Estimated Cost of the Proposed Project:

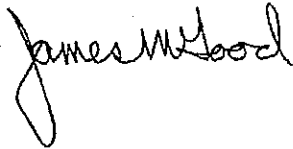
The capital expenditures are not expected to exceed \$1.0 million.

3. Description of the Service Area:

Per WAC 246-310-280, the service area is Pierce Two.

Thank you for your support in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "James M. Good". The signature is written in a cursive style with a large, looping initial "J".

James Good
Vice President
Specialty Services